JEH:HW

November 22, 1934.

Time-10:18 A.M.

MEMORANDUM FOR MR. TAMM

During a telephonic conversation with Colonel Gates, the Colonel asked if we had anything on the Smedley Butler Case. I stated that we did not have anything. The Colonel stated that the newspapers were beginning to press him concerning it, and the Baltimore Sun has the story that the Department of Justice doesn't know whether General Butler is having just another "brainstorm" or what, and the New York Evening Post telephoned him and informed him that some paper in New York had the story that the Department of Justice was going to investigate Smedley Butler.

I told the Colonel that we were not going to investigate General Butler, according to any knowledge I had.

Very truly yours,

John Edgar Hoover,
Director.

1 copy

Mr. Nathan
Mr. Tolson
Mr. Clegg
Mr. Baughman
Chief Clerk
Mr. Coffey
Mr. Cowley
Mr. Edwards
Mr. Egan
Mr. Harbo
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Mr. Tamm
Mr. Tracy

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INDEXED

62-[illegible]-1

U. S. DEPARTMENT OF JUSTICE

FILE

'Old Gimlet Eye' Takes His Ease



Major General Smedley D. Butler ("Old Gimlet Eye" to his men) after he had retired from the Marines. He is shown with his daughter, Ethel, and some of their dogs at their home at Newtown Square, Pa. He charges that New York brokers have asked him to help set up U. S. dictatorship.

New York Post - 11/20/34

62-3-17-1

Butler a Fighting Paradox; Says War Is a Racket

"War," said Major General Smedley Darlington Butler, U. S. M. C., retired, whose fearlessness in action is part of the American military saga, "is the most vicious racket known to man."

The fighting Quaker was addressing the Congregation B'nai Jeshurun, 233 West Eighty-eighth Street, on Armistice Day.

This utterance is typical of the unaccountable, fascinating, forceful, pugnacious personality that is Smedley Darlington Butler, ruthless, "treat-'em-rough" soldier in war, relentless, barb-tongued crusader for peace.

Butler, slim, frail, weighing less than 150 pounds, is a living paradox.

Born into the Society of Friends, he has fought, on every imaginable kind of front, for at least thirty-seven of his fifty-three years.

He fought in the Spanish-American War with McCall's men at Guantanamo and Manzanillo. He fought in Cuba, the Philippines, China, Nicaragua, Mexico and Hayti.

In command at Brest, France, during the World War, he fought the pestilential conditions at that port of entry for the American troops, built roads, paved streets, erected water works, put in running water, built barracks and hospitals.

He fought in China, he fought at Vera Cruz.

So bravely and conspicuously did he fight, that he received two Congressional Medals of Honor; an Army Distinguished Service Medal, a Navy Distinguished Service Medal, a brevet medal and an offer of the Victoria Cross. He was a brigadier general at thirty-nine, a major general at forty-eight.

But America's far-flung battle fields were not the only fronts on which "Old Gimlet Eye" Butler fought.

He fought the underworld and the bootleggers of Philadelphia when, in 1924 and 1925, that city "borrowed" him from the Marine Corps and made him its Director of Public Safety.

When he discovered that the politicians had enlisted his services merely as a respectable "front" for their activities, he fought the politicians.

He has fought for Prohibition and against it.

His avowed purpose in his Philadelphia clean-up campaigns was to enforce the dry laws.

But time and again, in speeches, in articles, he condemned the Volstead Act.

Denounced Dry Law

That law, he said in an address at Oakland, Cal., a year or two after he quit trying to clean up Philadelphia, was supposed only "to keep liquor away from persons without influence."

This statement was all the more amazing as it followed his charges of drunkenness against Colonel Alexander Williams, of the San Diego Marine Base, his host at a dinner in his honor, who was subsequently court martialed.

The famous "leatherneck" himself was threatened with court martial proceedings in 1931, when he had been fighting a one-man battle with Premier Mussolini, whom he characterized as "a hit-run driver." Butler got off with a mild reprimand.

The dynamic Marine's latest fight was with the National Broadcasting Company, which, last October, cut him off the air at Louisville, where, addressing a convention of the Veterans of Foreign Wars, he made reference to "turning food into fertilizer" and "marines making whoopee in the red-light district."

Major General Butler is a descendant of long lines of Quakers on both sides. His father was chairman of the House Naval Affairs Committee. The General was born in West Chester, Pa. He lives with his wife, the former Miss Ethel Peters (a Quaker, too), whom he married twenty-nine years ago at Newtown Square, Pa. They have three children.

New York Post - Nov 20, 1934

MACGUIRE DENIES BUTLER CHARGES

Broker's Employer Backs Up Refutation of General's 'Fascist' Accusations

Gerald C. MacGuire of 52 Broadway denied today that he offered Major General Smedley D. Butler an opportunity to lead a Fascist movement here and make himself dictator.

His employer, Grayson Meller-Provost Murphy, financier, called Butler's story "a damned lie."

A third man named by the former Marine Corps leader, Robert Sterling Clark, millionaire broker of 11 Wall Street, is in Europe and will not return for several weeks.

Admits Meeting Butler

MacGuire, a bond salesman who has been with Murphy's firm five years, said he met General Butler several years ago. Seen at his private office on the twelfth floor of 52 Broadway, he said:

"The thing was, General Butler was always coming around to me with books and letterheads from all these crackpot organizations, and I would keep telling him:

"General, you're a —— damn' fool to fall for all those outfits. You'll be holding the bag. Vigilantes of the West, and so on. None of them Fascists, just crackpots.'

"I've kept him out of plenty of trouble and this is what he does to show his gratitude. Everybody told me not to trust him, that he would try his publicity stunts on his best friends, but I always thought he was a square shooter.

"I don't know whether I'll ask for a retraction or sue for libel. I guess I will just be the goat in public and I'm probably through here.

"I've talked to Butler many a time, and I talked to French (Paul Comly French, Post reporter), when Butler sent him here, but I deny that I ever said anything about a Fascist organization."

"I haven't had time to do anything about this yet," Colonel Murphy said. "I haven't been able to stop laughing.

"I hope you came in armed, because I may start shooting, even if this is going to be a bloodless revolution.

"To say a thing like this about a man who has a record like me in the Spanish-American War, in the Philippines, in the World War, to say that a man who would serve his country like that would turn around and try to overthrow the Government, is hitting below the belt."

Has Decided Course

Colonel Murphy continued smiling:

"I haven't decided what, if anything, I'm going to do about the story. I do not say that the story may be perfectly responsible in so far as the POST's part in it is concerned, but its irresponsible as it applies to me. I never gave out any checks, and I say the whole thing in so far as it relates to me is a damned lie.

"I can't speak for Mr. MacGuire. I can't say what action the firm will take in relation to him. I don't know all the facts.

"I do know that Mr. MacGuire has been very active in legion affairs. What kind of affairs I don't know. But we gave him a leave of absence to work on legion affairs, after he brought in the commander —I don't remember what year or what the officer's name was."

Talks in Plaintive Tone

MacGuire is short, quite heavy, with a small, bullet-shaped head, close-cropped, and bright blue eyes. Denying General Butler's story, he talked in a plaintive voice with a faint East Side accent.

During the war, he said, he served on the navy transport Aulus, but he would not say what his rank was.

"I always thought General Butler was a square-shooter," he said sadly.

"We were going to the Army-Navy game together next week end. I haven't telephoned him yet, and I don't know whether I will."

His employer, Colonel Murphy, is tall, heavy-set and impressive looking. He has thin, silver hair, bright blue eyes and he smiled constantly during the interview.

Murphy served in the Spanish-American War and the World War and spent several years in the regular army after graduating from West Point. In the World War his services won him the Distinguished Service Medal, Officer of the Legion of Honor, Commendatore of the Order of the Crown of Italy and Commander of the Order of Leopold II of Belgium.

Goes to Wall Street

Originally a doctor for financially sick corporations, he attracted the attention of J. P. Morgan & Co. and other big Wall Street interests.

As a result, along with his commission and issue brokerage business, he received many important appointments to represent financial interests. Among the firms he has been connected with as president, chairman, officer or director are:

Foreign Credit Corporation, United States Distributing Company, Guaranty Trust Company, Foreign Commerce Corporation, Aviation Corporation, Liberty National Bank, Goodyear Tire and Rubber Company, Interborough Rapid Transit Company, New York Transportation Company, Fifth Avenue Coach Company, Graymur Corporation, New York Trust Company, Textile Banking Company, Bethlehem Steel Corporation, Youngstown Sheet and Tube Company, Cuba Cane Sugar Company, Omnibus Corporation, Royal Indemnity Company, American Ice Company, New York Railways Company, United States and Foreign Securities Corporation, National Aviation Corporation, and many others.

Robert Sterling Clark has a rather lavishly furnished, but small office on the eleventn floor of the Stock Exchange.

He is traveling somewhere in Algeria at the present time, and no one seems to know just how he can be reached. He may return in the spring. MacGuire became his friend after making his acquaintance in the relationship of bond salesmen an dwealthy investor.

Clark, now between fifty-five and sixty, was graduated from West Point and served with the Ninth Infantry during the Boxer Rebellion.

He is one of four brothers who inherited the sewing machine wealth of their father, the late Alfred Corning Clark, who was one of the founders of the Singer Sewing Machine Company. The senior Clark left 85,000 shares of stock in the company to his widow and sons when he died in 1896. Later the boys received their mother's share.

During his service in the army, he gained considerable publicity when he entertained on a lavish scale while on duty in Washington. One party, it was reported at the time, cost $30,000. A train was hired to bring the guests from New York.

While he was in China he was granted leave to travel in the interior on an exploring expedition. His regiment, the Ninth, was brigaded with the Marine regiment in which Butler was serving as a youthful officer.

Murphy a West Pointer

Clark is an ardent horseman, tall and healthy, but not as well known in that field as his brother, F. Ambrose Clark, one of the three brothers whom he sued to break control of a trust in which he had placed his share of the $80,000,000 estate left by his father.

62-[illegible]-17-1

[redacted]

JEH:HW November 22, 1934.

Time-12:20 P.M.

MEMORANDUM FOR MR. TAMM

During a telephonic conversation with Mr. Carusi, I was questioned as to whether we were doing anything about the Smedley Butler Case.

I stated that we were not, that the committee had not brought it to our attention; and that I had noticed that Mr. McCormack, the Chairman of the Committee, had made a statement in New York to the effect that the matter had not been referred to the United States Attorney, Mr. Conboy. I further stated that I was not aware whether Mr. Conboy had been in touch with the Committee or not, but that I did know that none of our men had been.

Very truly yours,

John Edgar Hoover,
Director.

1 copy

Mr. Nathan
Mr. Tolson
Mr. Clegg
Mr. Baughman
Chief Clerk
Mr. Coffey
Mr. Cowley
Mr. Edwards
Mr. Egan
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Mr. Tamm
Mr. Tracy

FILES SECTION
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DIVISION OF INVESTIGATION,
U. S. DEPARTMENT OF JUSTICE

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U. S. DEPARTMENT OF JUSTICE

FILE

PLOT TALE BITTERLY REFUTED

Ex-Chief of NRA and Others Brand Tale of Fascist Plan as False; Probe Ordered

NEW YORK, Nov. 21 (I.N.S.)—Placed squarely on the hot spot by Gen Smedley D. Butler's astounding testimony, Gerald P. MacGuire, young bond salesman, was to appear before the Dickstein Committee today to repeat his denials that he ever urged General Butler to march on Washington with a "Fascist" army.

Named by the fiery Marine Corps Veteran as the intermediary in a plot of Wall Street interests to overthrow President Roosevelt with a force of 500,000 ex-service men, Mr. MacGuire was to be examined on a number of circumstantial details contained in General Butler's charges.

Despite the mirth, sarcasm and explosive indignation with which the charges were denied by various eminent officials mentioned in the "conspiracy," the Congressional committee on un-American activities intends to "sift the matter to the bottom."

Dickstein Comments

Representative Samuel Dickstein, vice chairman of the committee, said:

"From present indications Butler has the evidence. He's not going to make any serious charges unless he has something to back them up. We'll have men here with bigger names than his."

Representative Dickstein said about 16 persons mentioned by General Butler would be subpoenaed and that a public hearing might be held next Monday.

Besides the men General Butler mentioned in his testimony before the committee, there was a report that he had told friends in Philadelphia the dictator of the new "Fascist Government" was to be General Hugh S. Johnson. When General Johnson learned of this, he barked:

"He'd better be pretty damn careful. Nobody said a word to me about anything of this kind, and if they did I'd throw them out of the window. I know nothing about it."

There was no official comment from President Roosevelt, who is in Warm Springs, Ga., but it is known that when he heard of the "conspiracy" which was to relieve him of his job he laughed:

'Fantastic!"

The substance of General Butler's charges was substantially:

That Mr. MacGuire had asked him to organize war veterans into a Fascist army with dues of $1 a year.

That Mr. MasGuire arranged a meeting between him and Robert Sterling Clark, financier, regarding a speech urging that America remain on the gold standard—a speech which it was hoped General Butler would deliver before the Chicago American Legion Cnvention.

MacArthur Named

That if General Butler rejected the offer to lead the Fascist army the command would be offered to Gen. Douglas MacArthur, army chief of staff, or to Hanford MacNider, former national commander of the American Legion.

According to General Butler's testimony as made public, it was hoped that President Roosevelt would "go along" as the King of Italy did with Mussolini. If he did not he and the Vive-President would be forced to resign after appointing a new Secretary of State, who would succeed to the Presidency and become "dictator."

General Butler was also quoted as saying that Mr. MacGuire had tossed $18,000 in 18 bills on the bed of the General's room in a Newark Hotel to "pay his expenses" in Chicago if he agreed to make the "gold standard" speech.

He also said that Mr. MacGuire showed him a bankbook with deposist of $64,000 to "take care of expenses" in Chicago.

Mr. MacGuire, denying all the charges, said:

"It's a joke—a publicity stunt. I know nothing about it. The matter is made out of whole cloth. I deny the story completely."

Broker Denies Butler Story of Fascist Plot

PARIS, Nov. 21 (I.N.S.)—Robert Sterling Clark, New York broker, candidly told International News Service today that he had "strongly urged" Maj. Gen. Smedley D. Butler "to use his influence in favor of sound money and against inflation," but he flatly denied allegations that he had sponsored an American Fascist movement.

Threatening to take action against General Butler "for any libels which may have been committed," Mr. Clark expressed complete mystification concerning the general's charges that a Fascist coup was plotted.

Mr. Clark was located at his small residence in a fashionable section of Paris. He is here partly for his health, but he said he would willingly return to the United States if at any time Congress wanted to question him in connection with General Butler's story. He asserted:

"I heard of General Butler's charges for the first time this morning, when I read the Paris newspapers.

"I just can't believe it!

"Why, General Butler and I were in the Army together in China, when we marched on Pekin during the Boxer Rebellion.

"I was a guest in his home about a year ago. Then I urged him strongly to use his influence in favor of sound money and against inflation."

WASHINGTON TIMES,
November 21, 1934.

62-33617-A

JOHN EDGAR HOOVER
DIRECTOR

Division of Investigation
U. S. Department of Justice
Washington, D. C.

Mr. Baughman
Chief Clerk
Mr. Coffey
r. Cowley
r. Edwards
Mr. Egan
Mr. Harbo
Mr. [illegible]
Mr. [illegible]
Mr. [illegible]
Mr. [illegible]ilder
Mr. Tamm
Mr. Tracy

EAT:TAM

November 22, 1934

MEMORANDUM FOR THE DIRECTOR

Confirming the information conveyed to Mrs. Kelley yesterday afternoon, you are advised that the Division files contain no record of Gerald G. MacGuire.

Respectfully,

E

E. A. Tamm

RECORDED & INDEXED

DIVISION OF INVESTIGATION
NOV 26 1934 P.M.
U. S. DEPARTMENT OF JUSTICE
TAMM FILE

NOV 27 1934

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MEMORANDUM TO: DATE ______________ 1934 FILE

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- Mr. Tamm ✓
- Mr. Tracy

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Undeveloped leads in your district awaiting attention

Mr. Hoover:-

Note article re General [illegible]

This checks with information [illegible]

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*N.B. Delinquent or expedite cases routed to you for report or attention must be covered not later than date indicated - Otherwise return this with explanation at once.

Memo Director 11-22-34 WAL

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S.A.C.

New York Post 11/20/34

GEN. BUTLER ACCUSES N.Y. BROKERS OF PLOTTING DICTATORSHIP IN U.S.

$3,000,000 BID FOR FASCIST ARMY BARED

Says He Was Asked to Lead 500,000 for Capital 'Putsch'

U. S. PROBING CHARGE

By PAUL COMLY FRENCH

Major General Smedley D. Butler revealed today he has been asked by a group of wealthy New York brokers to lead a Fascist movement to set up a dictatorship in the United States.

General Butler, ranking Major General of the Marine Corps up to his retirement three years ago, told his story today at a secret session of the Congressional committee on un-American activities.

Before he appeared before the committee, General Butler gave the New York Post a detailed account of the offer made to him.

"Of course I told the leaders of this Fascist movement that I wasn't interested in Fascism or in any other ism," Butler said with characteristic vigor, "and that I wouldn't consider any such proposition.

"The whole affair smacked of treason to me."

He said he was approached by Gerald G. MacGuire, who is connected with the firm of Grayson M.-P. Murphy & Co., 52 Broadway, and asked to organize 500,000 veterans into a Fascist army.

A "Show of Force"—Not Blood

"Shortly after MacGuire first came to see me," General Butler continued, "he arranged for Robert Sterling Clark, a New York broker, to come to my home at Newtown Square, Pa., to see me."

Clark, who maintains offices at 11 Wall Street, is reported to be worth more than $50,000,000.

General Butler then outlined the details of the plan. He said MacGuire assured him "they have $3,000,000 'on the line' to start the organization."

General Butler related a conversation he had with MacGuire on August 22 at the Bellevue-Stratford Hotel in Philadelphia.

"The upshot of his proposition was that I was to head a soldier organization of half a million men, that this group would assemble—probably a year from now—in Washington, and that within a few days it could take over the functions of government. To be perfectly fair to Mr. MacGuire, he didn't seem bloodthirsty. He felt that such a show of force in Washington would probably result in a peaceful overturn of the Government. He suggested that 'we might even go along with Roosevelt and do with him what Mussolini did with the King of Italy.'

The "Man on the White Horse"

"Mr. MacGuire insisted that all of his program was 'constitutional,'" continued the General. He proposed that the Secretary of State and Vice-President would be made to resign, by force, if necessary, and that President Roosevelt would probably allow MacGuire's group to appoint a Secretary of State. Then, if President Roosevelt was willing 'to go along,' he could remain as President. But if he were not in sympathy with the Fascist movement, he would be forced to resign, whereupon, under the Constitution, the Presidential succession would place the Secretary of State in the White House.

"Then he discussed the need for a 'man on the white horse,' and insisted that a show of armed force was the only way to save the capitalistic system.

"He told me he believed that at least half of the American Legion and Veterans of Foreign Wars would follow me.

$25,000 for Study Abroad

"I was amazed at the audacity and bluntness with which the proposition was put to me. I have always believed in democracy, and I felt it my duty to learn all I could of this conspiracy and to see that the information was placed in the hands of the proper governmental authorities."

General Butler then told how MacGuire described a long trip he (MacGuire) had taken to Europe during the spring and summer of 1934 to study the Nazi and Fascist organizations in Germany and Italy, and the part World War veterans played in both movements.

"MacGuire told me that his European junket had cost $25,000," said General Butler. "He said that he took his wife and children with him. I asked him where he got so much money, and he told me that friends of his had put it up, and were willing to put up much more if I would head their movement in this country.

Two Other "Candidates"

"MacGuire explained to me that they had two other candidates for the position of 'man on the white horse.' He said that if I did not accept, an offer would be made to General Douglas MacArthur, chief of staff of the United States

Fascist Army Plan Bared by Ex-Marine

Says He Was Offered $3,000,000 to Organize Capital "Putsch"

Continued from Page One

Army, whose term of office expires November 22, and that the third choice would be Hanford MacNider, former commander of the American Legion. So far as I know, neither General MacArthur nor MacNider has been approached. Their names were merely mentioned as 'alternates.'

"This conversation I had with MacGuire at the Bellevue-Stratford had been preceded by others in which he spoke chiefly of swinging the American Legion national convention into line for retention of the gold standard. One of those conversations was in a hotel in Newark, N. J., when I was attending a reunion of the Twenty-ninth Division.

Thousands Offered—for What?

"At that time, MacGuire came into my hotel room, pulled out a worn wallet, and started to toss thousand-dollar bills on the bed. I asked him what the hell that was for, and he told me it was to pay my expenses to Chicago to make a speech in favor of the gold standard.

"'You know damn well it doesn't cost $18,000 to go to Chicago,' I told him.

"'Don't be a fool, General,' he told me. 'Why don't you do like Harbord and Sims did and make some money out of it? The Government doesn't take care of you, so why don't you act like a business man?'

"I told him to pick up the money before I threw him out. I then suggested that one of the men who were providing all these thousand-dollar bills come and see me, so I would know who was back of it all.

"'Murphy (Grayson M.-P. Murphy of the brokerage firm that bears his name) is in Europe,' he told me, 'but I'll have Colonel Clark come to Newtown Square on Sunday.'

Called "Bribe" by Butler

"Clark called me on Saturday from New York and reminded me that we had served together in China in the Boxer trouble in 1900. He told me he would like to come and see me and discuss old times.

"Clark came to my home the following day and offered me money to go to Chicago to make the speech on the gold standard which MacGuire had previously given me. MacGuire told me he wrote the speech, but Clark said that John W. Davis, Democratic Presidential candidate in 1924, had written it. After we discussed the proposition for a few minutes, I told Clark he ought to be ashamed to come into a man's home and try to bribe him."

Financial Backing Displayed

General Butler explained that he had sat in at five different conferences with MacGuire. He said the first time MacGuire saw him he brought a man named Doyle, described as a wounded veteran. He said that MacGuire and Doyle drove up to Butler's home in a limousine, and that on the occasion of that visit MacGuire showed the General a bank book with deposits of $64,000 and said that was 'to take care of my expenses' to the American Legion Convention at which I was to make a speech in favor of retention of the gold standard.

"At the same time he showed me several checks, drawn for large amounts, signed by Robert Sterling Clark, John Mills and Grayson M.-P. Murphy, which he said were to be placed in his account to cover 'necessary' expenses at the Chicago convention.

"Several months later, when I asked MacGuire who was backing his movement to set up a dictatorship, he said, "The same people that financed the Chicago propaganda.'

"At all times," said the General, "I refused to accept any money from any of these men."

General Butler and the writer of this article, both subpenaed by the Congressional committee, went to the Bar Association Building shortly after 11 o'clock this morning.

Examination of the General was begun immediately by Representative John W. McCormack of Massachusetts, chairman of the committee, behind closed doors.

MacGuire was subpenaed to appear before the committee at 4 P. M.

Process servers for the committee tried to subpena Clark today, but he is in Europe and will not return for several weeks.

About September 1 General Butler had a long series of speaking engagements, carrying him through the Middle West. The writer of this article, a reporter for the NEW YORK POST and the Philadelphia Record, was called in by General Butler about September 1. The General told me the story as I have related it.

Plan Again Described

He telephoned MacGuire in New York, and made an appointment for me to interview MacGuire. In order that the way would be cleared for me, he told MacGuire that he would make no final decision on his Fascist movement until I approved it, and he suggested that MacGuire outline his entire plan to me.

On September 13 I met MacGuire in his office, which is part of the suite occupied by Grayson M.-P. Murphy & Co., on the twelfth floor of 52 Broadway.

At first MacGuire semed unwilling to talk freely and discussed generalities for a time. Later, however, he warmed up to the subject and told me substantially the same story as that related by the General.

"We need a Fascist Government in this country," he insisted, "to save the nation from the Communists who would tear down all that has been built up in America. The only men who have the patriotism to do it are the soldiers, and Smedley Butler is the ideal leader. He could organize a million men over night."

Movement Called Patriotic

During the conversation he told me he had been in Italy and Germany during the spring and summer of 1934, making a detailed and comprehensive study of Nazi and Fascist organizations, and the part war veterans had played in their success.

"The whole movement is patriotic," he continued, "because the Communists will wreck the nation unless the soldiers save it through Fascism.

"All General Butler would have to do to get a million men," he said, "would be to announce the formation of the organization and tell them it would cost a dollar a year to join."

We discussed that angle, and then the question of additional financial assistance developed.

"It would not be any trouble to raise $1,000,000," he said. "I could go to any number of persons here in New York and get it."

Plan to Secure Arms

He suggested that necessary arms and equipment could be obtained from the Remington Arms company on credit through the Du Pont family, which has a controlling interest in that company.

"I am close to the President," he continued, "because I served as a naval aid when he was Assistant Secretary of the Navy."

[Check of the Navy Register shows that MacGuire was retired as an ensign, but there is no record that he served Roosevelt as a naval aid when the President was Assistant Secretary of the Navy. General Butler has no recollection of MacGuire holding such a position, although Roosevelt inspected Butler's posts in France and in Hayti during his eight years in the Navy Department.]

"I think the President could be persuaded to name General Butler as head of the CCC camps," MacGuire continued, "and that would give him the basis of an organization. However, if that doesn't work, I have no doubt the General could enlist 500,000 men in a very short time.

Legion Leaders Named

"What we really need is a man on the white horse to save the capitalistic system.

"We might go along with Roosevelt and do with him what Mussolini did to the King of Italy."

He shoved a letter across his desk, saying it was from Louis Johnson of West Virginia, former National Commander of the American Legion. MacGuire said Johnson wrote he would be in "to discuss what we have talked about."

"That's just what we're discussing now," he told me.

During our conversation he mentioned that Henry Stephens of North Carolina, another former National Commander of the American Legion, was interested in the plan.

Barracks for Unemployed

"Roosevelt hasn't got the real solution to the unemployment situation," MacGuire said, "but we'll put across a plan that will be really effective. All unemployed men would be put in military barracks, under forced labor, as Hitler does, and that would soon solve that problem. Another thing we would do immediately would be to register all persons in the United States, as they do in Europe. That would stop a lot of Communist agitators wandering around loose."

When I left him he planned to see General Butler during the next few weeks and to get the General's acceptance to head the Fascist movement.

Shortly after my conversation with MacGuire General Butler left for a series of speeches, and it was not until September 27 that I talked with MacGuire again.

At that time he told me he was busy preparing for the American Legion convention in Miami and had been unable to get to Newtown Square to see Butler.

"Things are moving nicely," he said, "and the President is going to the Right. Soon Tugwell, Perkins and Morgenthau will be out of the Cabinet."

Western Publisher Informed

He said he would probably be in touch with General Butler as soon as he returned from Miami. However, General Butler and MacGuire have never met each other since that day.

During Butler's Western trip last summer an Indianapolis publisher, Anthony Flagg, told him that a group of New York brokers were organizing a Fascist movement and that he would be asked to lead it.

"I didn't give him an intimation that I knew about the thing," Butler said, "but Flagg repeated MacGuire's story, almost verbatim.

"He even said that $3,000,000 had been raised to finance the movement."

Spurns U. S. Mussolini Role



Major General Smedley D. Butler, shown here in the full dress of the U. S. Marines he formerly bossed, will tell a Congressional committee that a Wall Street clique wanted him to lead a Fascist army of 500,000 to take over the power of the Government.

SEVENTY-THIRD CONGRESS

JOHN W. McCORMACK, MASS., CHAIRMAN
SAMUEL DICKSTEIN, N.Y., VICE CHAIRMAN
CARL M. WEIDEMAN, MICH.
CHARLES KRAMER, CALIF.

THOMAS A. JENKINS, OHIO
J. WILL TAYLOR, TENN.
U. S. GUYER, KANS.

THOMAS W. HARDWICK, COUNSEL

Congress of the United States
House of Representatives
SPECIAL COMMITTEE ON UN-AMERICAN ACTIVITIES
Washington, D.C.

AUTHORIZED TO INVESTIGATE NAZI PROPAGANDA ACTIVITIES AND CERTAIN OTHER PROPAGANDA ACTIVITIES

COMMITTEE OFFICE, ROOM 520
OLD HOUSE OFFICE BUILDING

F. P. RANDOLPH, SECRETARY

Washington, D. C.
December 5, 1934.

J. Edgar Hoover, Director
Bureau of Investigation
Department of Justice
Washington, D. C.

Dear Mr. Hoover:

I am enclosing, herewith, by direction of the Chairman of the Committee, a copy of a communication from P. A. Green under date of November 22, 1934. This letter has been called to our attention and is being looked into by our Committee but it also seems to warrant consideration of your department and the same is being respectfully referred to you for consideration.

Respectfully yours,

F. P. Randolph

F. P. Randolph
Committee Secretary

RECORDED & INDEXED 62

DEC 14 1934

12-12-34

SIX COMPANIES INC

Builders of Hoover Dam
Boulder City, Nevada.

Peter A. Green
2820 East First St.
Twin Palms Apartments #4
Long Beach, California
November 22, 1934.

Rep. John W. McCormack
U.S. Congressman
From Massachusetts.

Dear John.

I just read in the Long Beach. Calif, newspaper about you being on the investigating committee of a Un-American radical group that is and has been trying to start a I.W.W. or Fascist War Veteran Army to overthrow President Roosevelts good sound Administration this lat year or two. As you know I have been working at Boulder Dam Nevada. since 1931 and 15 or us veterans started a Legion Post at Boulder City Nevada, and in 1932 I was elected First Vice Commander of Boulder City Post #31, I was also very active during Roosevelts campaign, being on the Democratic Committee at Boulder and Los Vegas, Nevada. as Congressman Jim Schruham and Senator Pat McCarran of Nev, were up and we had 5000 votes in Boulder City and we asked friends of ours to change from Republican to Democrat so as to put the Democratic Party over. Now getting back to the Fascist Plot that has existed in Boulder Dam with the true story of my experience with their agents to start a western movement to put our good President Roosevelt out of office for over a year they have been trying to poison the minds of all working men in the West as I talked to a lot. In March 1933 right after the President went into office I was approaced by two men stating they were the Representatives of an eastern new organization to be called American Fascist Veterans Association and that they had plenty of money to start the Western drive if I would be their Leader in Nevada. I introduced them to our then Legion Commander Ray Allen, and they had quite a program to offer us if we would join their ranks.
They told us the second time we met them that Louie Johnson who was then National Commander of the Legion was one of their Leaders in the South and General Butler would line up the Marines also that the Veterans of Foreign Wars Department heads were all members in the middle West they were getting very strong and that the Republican National Committeeman was treasurer. I told them that it sounded like a Communist idea to me but they said no ti was to make our government a new party of equal rights to all and put our President out of office and put in Fice Dictators I suppose Republicans. I did not want to lose my job so I did not report them as you know this is a Republican Contractors Job ana the Six Company were strong for Hoover. I would be glad to go to Washington and testify before any committee as I feel all good Americans should tell all they know about this organization and as I just started on a months leave of absence I could go by plane or any way yoy say to Washington. I was very glad that the voters of good old Boston sent you back to Congress and that Jim Curley is now Governor of Massachusetts.
Trusting then to hear from you soon and hoping the Mrs. and you are in the very best of health

Your Friend,

Sgd. Pete
P.A. Green

AGB:AEK

May 16, 1935

62-33617-5

MEMORANDUM FOR THE ASSISTANT TO THE ATTORNEY GENERAL, MR. WILLIAM STANLEY.

For your information there is transmitted herewith a copy of a letter addressed to the President of the United States by Mr. E. C. Rodwick, dated at Santa Barbara, California, March 18, 1935, relative to the findings of the Dickstein Congressional Investigating Committee. This letter was referred to me for appropriate attention. No investigation is being made as to the allegations contained in the letter.

Very truly yours,

John Edgar Hoover,
Director.

Inclosure No. 839086

From

H. C. DONALDSON

Assistant Chief Clerk

To

OFFICIAL INDICATED BELOW BY CHECK MARK

Attorney General		Mr. McMahon	
Solicitor General		Mr. Boyd	
Asst. to the Attorney General		Mr. Gardner	
Asst. Attorney General Keenan		Mr. Caldwell	
Asst. Attorney General Sweeney		Mr. Sornborger	
Asst. Attorney General Stephens		Mr. Moore	
Asst. Attorney General Wideman		Mr. Holland	
Asst. Attorney General Blair		Miss Watkins	
Asst. Solicitor General		Mr. Kearney	
Mr. Stewart		Mrs. Kidd	
Mr. Hoover	✓	Miss Waddle	
Mr. Bates		Mr. Ford	
Mr. Beardslee		Miss Fitzgerald	
Mr. Lawrence		Mrs. Wade	
Mr. Smith - A.P.C.		Miss Biggs	
Mr. Tolson		Miss Windsor	

M E M O R A N D U M

5

RECORDED

MAY 22 1933

1434 Euclid Ave.
Santa Barbara, California,

March 18th, 1935.

Franklin D. Rossevelt,

President of the United States,

Washington, D.C.

My dear President:

I have long hesitated before deciding to write to you regarding the Dickstein Congressional Investigating Committee whose mission was, to secure evidence concerning a conspiracy to seized the U.S. Government by a Fascist group, to be led by General Smedley Butler at the head of 500,000 men.

Thinking that you were familiar with the Committee's findings in which suppressed evidence was uncomplimentary to yourself, my expected in due time you would inform the public that you still believe in it and intended to support origanal American ideals and fairplay.

According to the "New Masses", Jan. 29th and Feb. 5th, the Investigating Committee traced the conspiracy to financial leaders of Wall street and for that reason the Committee suppressed its most vital findings. I shall quote a few of the fourteen findings suppressed - two of which involve the President.

1st - " The Dickstein Committee refuses to explain why it suppressed evidence of fascist organizations and of fascist movements."

4th - "That General Butler named a fascist organization in which some leaders of the American Jewish leaders were active - and that this testimony was suppressed."

RECORDED & INDEXED 62-33617-5

7th - "That the most powerful fascist organizations are controlled by financiers whose interests are controlled by J. P. Morgan's interests."

9th - "That Grayson M. P. Murphy involved in the plot to organise

COPIES DESTROYED
170 SEP 23 1964

MAY 22 1935

a fascist army, is a Morgan man, and one of those who originally financed the starting of the American Legion for 'Big Business' and who supports disseminators of anti-semitic propaganda; and that knowing all this the Dickstein Committee never called Murphy to explain his activities."

10 - "That a Hearst man tied up with Morgan interests captured control of the American Legion, which Butler was asked to lead as a fascist army: and that this man, summoned to appear before the Dickstein Committee was never questioned after he had had a secret conference with President Roosevelt."

11 - "That the American Liberty League was named by Butler and this fact suppressed by the Dickstein Committee. The League is controlled by Morgan, Du Pont interests as well as having Warburg representation on it".

13 - "That Max Warburg, brother of Felix and director of the steel trust of Germany, which orginally financed Hitler are in the United States trying to get credits for Hitler's government in copper purchase."

Quoting now from further suppressed testimony of General Butler: "You know the President is weak. He will come right along with us. He was born in this class. He was raised in this class and he will come back. He will run true to form. In the end he will come around. But we have got to be prepared to sustain him when he does."

If the above statements are veridical - there is strong evidence that they are - then we are left to infer that our President is not only aware of the existence of a strong financial group plotting to overthrow the American government and to set up a Fascist Dictatorship, but also that he is in sympathy with this unpatriotic movement, which we hesitate to believe, leaving the people halting between two opinions, uncertain where their elected President stands.

My only object in writing this letter is to mildly suggest that the President take the people into his confidence and openly state what his relations are with regard to those Fascist groups supported by powerful financiers who have brought

misery immeasurable upon the people and who are now seeking to destroy what few liberties they sometimes enjoy.

Sincerely,

E. C. Rodwick

E. C. Rodwick.

athan

Mr. Nathan ✓
Mr. Tolson
Mr. Baokus
Mr. Baughman
Chief Clerk
Mr. Clegg
Mr. Coffey
Mr. Edwards
Mr. Egan
Mr. Harbo
Mr. Keith
Mr. Lester
Mr. Quinn
Mr. Schilder
Mr. Smith
Mr. Tamm
Mr. Tracy
Miss Gandy



CRIME FOE—Gen. Smedley Butler, dynamic former Marine corps commander, addresses 1,000 women in Cherry Valley School of Garden City, N. Y., on crime. The general, in his usual two-fisted manner, laid a verbal barrage on crooked politicians, the Hauptmann trial and gangster films, as well as many other subjects, and said people generally have forgotten God and the Bible.—International News photo.

Chicago Herald & Examiner

MAR 9 - 1935

EAT:TAM

~~[illegible]~~
62-55317-4

RECORDED

December 12, 1934

Mr. F. P. Randolph,
Secretary,
Special Committee on Un-American Activities,
House of Representatives,
Washington, D. C.

Dear Mr. Randolph:

I have received your letter of December 5, 1934, transmitting a copy of a communication addressed to Congressman McCormack, under date of November 22, 1934 by P. A. Green. It is noted that your Committee is giving attention to the contents of Mr. Green's letter. It does not appear from Mr. Green's letter that the facts as outlined by him constitute a violation of any Federal Statute coming within the jurisdiction of this Division, and accordingly no action will be taken in this matter at the present time. In the event your inquiries concerning Mr. Green's statement develop information indicating a violation of a Federal Statute I will be pleased to be so advised by you, in order that appropriate inquiry may be conducted.

Sincerely yours,

John Edgar Hoover,
Director.

1 yellow

Mr. Nathan
Mr. Tolson
Mr. Baughman
Mr. Clegg
Mr. Coffey
Mr. Dawsey
Mr. Egan
Mr. Foxworth
Mr. Glavin
Mr. Harbo
Mr. Joseph
Mr. Lester
Mr. Nichols
Mr. Quinn
Mr. Schilder
Mr. Tamm
Mr. Tracy
Miss Gandy

Federal Bureau of Investigation
United States Department of Justice

1300 Liberty Trust Building
Philadelphia, Pennsylvania

May 18, 1937.

PERSONAL AND
CONFIDENTIAL

Director,
Federal Bureau of Investigation,
Washington, D. C.

Dear Sir:

On the evening of Sunday, May 16, 1937, I had the pleasure of meeting and talking with Major-General Smedley D. Butler, U. S. M. C. R., at a meeting of the Pennsylvania State Association for the Blind. General Butler was the principal speaker, and I also appeared on the program.

In conversing with me, he informed me that it was his opinion that the Bureau is the most valuable and productive agency which the Federal Government now has, and in other respects, General Butler expressed a high regard for the Director and for the Bureau.

Very truly yours,

G. N. Lowdon J.LF

G. N. LOWDON,
Special Agent in Charge

GNL:BC

RECORDED
&
INDEXED.

62-33617-6

FEDERAL BUREAU OF INVESTIGATION
MAY .. 1937 P.M.
U. S. DEPARTMENT OF JUSTICE
FILE

Portland, Oregon
August 2[illegible], 1938

Mr. John Edgar Hoover
Director
Federal Bureau of Investigation
Washington, D. C.

Dear Mr. Hoover:

Re: Fine Compliments paid Director and Bureau by Major General Smedley Butler.

While attending the recent Annual State Convention of the Idaho Department of the American Legion at Pocatello, Idaho, August 21 and 22, 1938, I renewed my acquaintance with Major General Smedley Butler, retired, formerly Commandant of the United States Marines.

During my stay at the Convention, General Butler and I talked for approximately an hour on matters of mutual interest. He was very enthusiastic about his recent visit and trip through the Bureau in Washington, and asked me to give you his best regards and cordial thanks for the courtesy extended him upon this occasion. Several times in various groups of delegates to the convention, he mentioned you and the Bureau in highest terms.

General Butler and I both addressed the convention on August 22, 1938, and at the annual banquet on the night of that date we were both called on for additional talks. General Butler's talk followed mine at the banquet and he took occasion to pay high tribute to you and the Bureau. During the course of his remarks at this time he called on the American Legion to support you and the Bureau in every way, and to see that the politicians did not interfere with you and the fine work you and the Bureau are doing.

During the course of this same informal talk at the banquet he stated further "With the possible exception of the Marine Corps, the Federal Bureau of Investigation is the finest organization in the world today". General Butler's remarks concerning you and the work of the Bureau were greeted with applause by approximately three hundred legionnaires and their wives at the banquet. He was

COMMENDATION

ORIGINAL FILED IN

Director 8-26-38

thanked cordially by me on your behalf for his many kind references to the Bureau and his continued interest in you and the work of the Bureau.

It is suggested that you might desire to send him a personal letter of thanks, mentioning specifically his remarks at the banquet and assuring him that you do not feel badly about his listing the Bureau after the Marine Corps, which he served so faithfully and well. General Butler's Philadelphia, Pennsylvania address, where I understand he is returning shortly, is in the Bureau's files.

Sincerely yours,

W. H. DRANE LESTER,
Inspector.

WHDL:FD
cc-Butte
Philadelphia

C O P Y (gmr)

Goshen Road, Newtown Square
Delaware County, Pennsylvania

September 17, 1938

Honorable J. Edgar Hoover,
Federal Bureau of Investigation,
United States Department of Justice,
Washington, D. C.

Dear Mr. Hoover:-

Thank you for your nice letter of September 2nd. It is always a pleasure to run across Mr. Lester and sit in admiration when he gets off seven hundred words a minute. He certainly is a delightful person to meet and I always look forward to hearing him.

It has been my habit never to let an opportunity go by to give your outfit a boost. It is, to my mind, one of the few real and decent institutions we have.

Thanking you again, I am,

Sincerely yours,

S/ S. D. Butler

Smedley D. Butler

COMMENDATION

ORIGINAL FILED IN

RECORDED & INDEXED 62-33617-8

JJM:AEM
[redacted]
RECORDED 62-33617-7

September 2, 1938

Major General Smedley Butler
Goshen Road
Newtown Square, Pennsylvania

Dear General Butler:

I have just been advised by Inspector W. H. Drane Lester of the splendid addresses which you delivered on the occasion of the Annual State Convention of the Idaho Department of the American Legion at Pocatello, Idaho on August 21 and 22, 1938.

It was very kind of you to comment so favorably upon my administration of the FBI, and I am deeply appreciative for your expressions of faith and confidence in the work which we are doing.

It is my understanding that you advised that "With the possible exception of the Marine Corps, the Federal Bureau of Investigation is the finest organization in the world today." I assure you that coming out second best with the Marine Corps is not a matter which would make us feel badly in any way, particularly since we have a very fond spot in our hearts for that organization, which you have served so faithfully for many years.

With best wishes and kind personal regards,

Sincerely yours,

CC-Mr. Lester

ORIGINAL FILED IN 94-1-7512-[illegible]

JPG:MM

January 25, 1940

RECORDED 62-33617-7X

Major General Smedley D. Butler
Goshen Road
Newtown Square, Pennsylvania

Dear General Butler:

Your communication dated January 18, 1940, has been received and I am indeed pleased to learn of your commendatory remarks concerning my addresses and the various publications you have received in the past. I am glad to forward this material to you and I appreciate the use you are making of it.

May I suggest that when next you are in Washington, you do not fail to call at my office.

With best wishes and kind regards,

Sincerely yours,

[illegible]

Mr. Tolson
Mr. [illegible]
Mr. E. A. Tamm
Mr. Clegg
Mr. [illegible]
Mr. Coffey
Mr. Egan
Mr. Glavin
[illegible]
Mr. Lester
Mr. [illegible]
Mr. [illegible]
Mr. [illegible]
Mr. Cocon
Mr. Quinn Tamm
Tour Room
Mr. Tracy
Miss Gandy

COMMUNICATIONS SECTION
MAILED
JAN 25 1940
P. M.
FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE

MM

INDEXED
DATE: [illegible]

29

GOSHEN ROAD, NEWTOWN SQUARE
DELAWARE COUNTY, PENNSYLVANIA

Mr. Tolson
Mr. Nathan
Mr. E. A. Tamm
Mr. Clegg
Mr. Ladd
Mr. Coffey
Mr. Egan
Mr. Glavin
Mr. Harbo
Mr. Lester

January 18, 1940

Hon. J. Edgar Hoover, Director
Federal Bureau of Investigation
Department of Justice
Washington D.C.

Dear Mr. Hoover:

In the past year you have been good enough to send me a number of pamphlets and copies of speeches you have made all over the country, which have proved extremely interesting and valuable to me in my qwn travels round the country and I am writing this note to thank you for them.

I never leave an opportunity unused to quote from the material cited therein and am expecting to do so again this coming week, when I have been asked to speak on Crime in Waterville, Maine.

With best wishes for 1940 and kindest regards, I am

Very sincerely yours,

S. D. Butler

SMEDLEY D. BUTLER

RECORDED 62-33614-8X

BUREAU OF INVESTIGATION
JAN 29 1940
U.S. DEPARTMENT OF JUSTICE

TOLSON NEWCOMB NICHOLS

ack 1/25/40 J.P.B.

1 - Mr. Simpson

62-33617-

March 30, 1961

REC-61

EX 104

b6
b7C

[redacted]

Dear [redacted]

Your letter dated March 22, 1961, with its enclosure, has been received.

While I would like to be of assistance, the FBI is strictly an investigative agency of the Federal Government and does not have the funds or the facilities to conduct the research necessary to answer your inquiry. It is suggested that your local library may be in a position to help you in this matter.

Pursuant to your request, I am returning the newspaper clipping you submitted with your letter.

Sincerely yours,

John Edgar Hoover
Director

Enclosure

NOTE ON YELLOW:

Correspondent enclosed a clipping from an undated and unnamed newspaper which quoted Major General Smedley D. Butler as once having stated while he was in the Marine Corps that he was a "high-class muscle man for Big Business and Wall Street" and helped make other countries safe for American oil interests. Correspondent requested the return of this clipping and a copy has, therefore, been made for Bufiles.

RDS:pw (3)

NOTE ON YELLOW, CONTINUED, PAGE TWO

Tolson ____
Parsons ____
Mohr ____
Belmont ____
Callahan ____
Conrad ____
DeLoach ____
Evans ____
Malone ____
Rosen ____
Tavel ____
Trotter ____
W.C. Sullivan ____
Tele. Room ____
Ingram ____
Gandy ____

MAIL ROOM ☐ TELETYPE UNIT ☐

[redacted]

b6
b7C

NOTE ON YELLOW, CONTINUED

There are numerous references in Bufiles to Major General Smedley D. Butler. He was at one time Commandant of the United States Marine Corps who retired in 1931 and died on June 21, 1940. Only the main file on Butler has been reviewed and it consists of correspondence with him indicating our relations with him were very cordial. (62-33617)

Bufiles indicate we have had some limited correspondence with [redacted] in 1952 at which time he wrote concerning crime statistics. Also, in 1946 while Editor of an American Legion magazine in Chicago, Illinois, he was commended for his editorial on communism. The Chicago Office in 1941 advised that [redacted] was considered as "completely unreliable" for having indicated he had information of value regarding Japanese activities in the United States and subsequently stating he was too busy to furnish the information. (65-36008)

b6
b7C
b7C
b6

To determine whether General Butler made the statements alleged in the newspaper clipping would require considerable time and research. This time and effort does not appear to be warranted since the statements, if made at all, would necessarily have been made over 20 years ago inasmuch as Butler died in 1940.

NATIONAL NON-PARTISAN CAMPAIGN FOR

ALASKAN---HAWAIIAN STATEHOOD

8200 South Chappel Ave.,
Chicago 17, Illinois.

[redacted]

b6
b7C

"FIFTY STATES IN THE UNION, FIFTY STARS IN THE FLAG"

Two Down None to Go

March 22, 1961

Mr. J. Edgar Hoover, Director
Federal Bureau of Investigation
Washington, D. C.

Dear Mr. Hoover:

A few days ago, addressed to me and postmarked Chicago, there arrived in the morning mail a publication labeled "official organ of the Socialist-Labor Party."

My wife saw me glance at it and then toss it in the waste basket, and remarked, "Just because you're such a hater of Socialism and Communism, is no reason why you should be afraid to read what they have to say, even if it would never alter your views or change your opinions." So I retrieved the paper and gave its contents a cursory perusal until I came to the enclosed item, which I cut out to show to the Americanism chairman of my Legion post.

To me it seems incredulous that a man of Smedly D. Butler's calibre would ever utter such a statemement, though I know he was always outspoken to the point of crudity. I met him in the first World War while serving with the 81st (Wildcat) Division and at the time he headed the SOS in St. Nazaire.

If it is not imposing upon your time and tolerance, I'd appreciate it if you would check on this item and advise me if it truthfully quotes any statements by General Butler. If the quotations are correct, I'm licked. If they are false (and I hope to God they are) I'm fortified with ammunition which can be used effectively not only by my Legion Post but by the National Department and its nationally-circulated magazine.

REC- 61 62 - 3361 - 9

Will you kindly return the clipping to me at your convenience? Pax vobiscum and vaya con Dios.

EX 104

MAR 1961

b6
b7C

Very earnestly yours,

[redacted]

PFM.lm

ENCLOSURE

Ack. w/encl.
3-30-61
RDS/pd.

U.S. Capitalism and the U.S. Marines

Lest anyone doubt the degree of cynicism with which capitalism uses the nation's armed forces in its selfish interests, we quote the testimony of one who was in a position to know, Major-General Smedley D. Butler:

"I spent 33 years and four months in active service as a member of our country's most agile military force—the Marine Corps. . . And during that time I spent most of my time being a high-class muscle man for Big Business, for Wall Street, and for the bankers. In short, I was a racketeer for capitalism. . . .

"Thus I helped make Mexico and especially Tampico safe for American oil interests in 1914. I helped make Haiti and Cuba a decent place for the National City Bank boys to collect revenues in. . . . I helped purify Nicaragua for the international banking house of Brown Brothers in 1902-1912. I brought light to the Dominican Republic for American sugar interests in 1916. I helped make Honduras 'right' for American fruit companies in 1903. In China in 1927 I helped to see to it that Standard Oil went its way unmolested.

"During those years I had, as the boys in the back room would say, a swell racket. I was rewarded with honors, medals, promotion. Looking back on it, I feel I might have given Al Capone a few hints. The best HE could do was to operate his racket in three city districts. We Marines operated on three CONTINENTS." ("Common Sense," November, 1935.)

But, as the "Wall Street Journal" asks, Aug. 12, "How would the U.S. explain to Latin America and the world the difference between the Marines in Havana and the Red Army in Budapest?"

62-33617-9

ENCLOSURE

JEH:HCB

62-41602-2X

August 8, 1936.

Personal & Confidential

DECLASSIFIED 6/17/80
BY SPS KJC

MEMORANDUM FOR THE ATTORNEY GENERAL

Confirming my conversation with you of yesterday afternoon, during the course of the visit to my office yesterday, General Smedley Butler informed me that about a year ago he received a long distance telephone call from Father Coughlin. He stated that this call came to him at his home in Pennsylvania; that it was in the evening and he had a number of friends with him for dinner, one of whom was the Editor of a Philadelphia newspaper, which I understood General Butler to say was the Philadelphia Inquirer. General Butler stated that Father Coughlin addressed him over the telephone quite familiarly, calling him for the first time, "Smedley." Father Coughlin asked him whether he, General Butler, would be willing to head an armed force of men who he, Father Coughlin, proposed would proceed to Mexico and overthrow the Mexican Government. Father Coughlin stated that the Government in Mexico had been attacking the Catholic Church and was strongly Communistic, and he, Father Coughlin, had the men and the guns with which to effect the overthrow of the Mexican Government, but that he needed a man who knew military tactics to head this expedition and wanted General Butler to assume this job.

General Butler stated that he informed Father Coughlin that he, General Butler, was a retired Marine Corps Officer, and as such was an Officer of the Government and that he could have no part in such a movement as Father Coughlin suggested. General Butler further stated that he said to Father Coughlin that if such a movement was initiated the President of the United States would call out the standing army to prevent them from getting very far in such an expedition. Father Coughlin's reply was that they need not worry about President Roosevelt, because "they would take care of him on the way down."

General Butler informed me that he had his friends who were at his house on this evening to listen in on this phone conversation from an extension telephone on the second floor of his residence. General Butler stated he recognized Father Coughlin's voice, and that following the call he had the call traced and it was found that it had been placed from The Shrine of the Little Flower, at Detroit, Michigan. General Butler stated further that he had his friends make sworn statements following this incident in order that he might have their statements as a matter of record.

APPROPRIATE AGENCIES
AND FIELD OFFICES
ADVISED BY ROUTING
SLIP(S) OF
DATE

General Butler also added that during the course of the conversation some reference was made by Father Coughlin to his desire to talk with General Butler in New York the following week, and that subsequent to the phone conversation, the next day or two thereafter, General Butler received a telegram from Father Coughlin, informing him, General Butler, that he would be unable to keep the appointment which he had tentatively made with General Butler in New York. General Butler stated that he had this telegram which he considered to corroborate the conversation he referred to having taken place.

General Butler stated that following this conversation with Father Coughlin he discussed with his friends who were his guests on the evening it occurred, as to what action he, General Butler, should take and he stated it was the consensus of opinion that he should do nothing at that time, but wait to see what further developments took place and try to get some further information or corroboration. Consequently, General Butler did not take any further action in this matter at that time.

General Butler stated that about a week or ten days ago a member of the Pennsylvania Committee for the Union of Social Justice, which is the organization that Father Coughlin heads, had come to see him to inquire if Father Coughlin had made any proposition to him to lead an armed force against Mexico. This man told General Butler that at a meeting of the Executive Committee of the Pennsylvania Branch of the Union of Social Justice several weeks ago one of the members of the same stated that he had heard that such an offer had been made to General Butler by Father Coughlin and that if such was the fact it was improper and that if the story was not true, it should certainly be denied. The member of the Committee who went to see General Butler stated that following this meeting of the Executive Committee he went to Detroit and saw Father Coughlin and asked him relative to this incident. Father Coughlin did not make any denial of the incident, but suggested that he, the man, call upon General Butler and ascertain what General Butler had to say about it. The evasiveness of Father Coughlin created some suspicion in this man's mind and he consequently called upon General Butler, who told him the facts as he, General Butler, knew them.

General Butler stated that he had been very much worried about this incident but that he was not inclined to report it to his superior officer, namely, the Commanding General of the Marine Corps, or to the President, because he thought that, first, it might be considered a political move upon his part as he realized that the expose of such a

Read by S. Kennedy — Richer S. Pane [handwritten margin notation]

story at this time might have political repercussions, and secondly, many persons might think that he, General Butler, was a fool and that the incident had not occurred. I informed General Butler that I thought it was a matter which he certainly should reduce to writing and submit the same in memorandum form to the Major General of the Marine Corps since he, General Butler, was retired, as a Marine Officer. General Butler stated he was undecided as to what he should do about it as it worried him considerably, but he thought that the best thing for him to do at the present time was to take no action as any action he might take would be misconstrued. I pointed out to General Butler that his remaining silent might later be misconstrued if the story became known publicly in that he would then be criticised for having not reported it to the proper authorities.

In the course of the conversation General Butler stated that he had learned from some ex-marine of a theft of one hundred Browning automatic rifles from the Raritan Arsenal in New Jersey, which had been hidden on the estate of John D. Rockefeller, Sr., in New Jersey. He stated that Mr. Rockefeller knew nothing about this, of course, as his estate was quite large and it was believed by the persons responsible for the theft that it would be an ideal place to hide these weapons. General Butler stated he corroborated this report which had been made to him in conversation with the Quartermaster of one of the arsenals, who corroborated the theft of the one hundred Browning automatic rifles and informed General Butler there had been a loss of fifteen automatic rifles from his arsenal. General Butler stated that of course he did not know these guns bore any relationship to the statement of Father Coughlin that he had the men and the arms with which to start on an expedition against Mexico, but he considered it at least significant.

Present during my conversation with General Butler was a personal friend of General Butler, a lady, as well as T. W. Dawsey, one of the supervisors attached to my office in the Bureau. Following my conversation with General Butler he went on a tour of the Bureau with Mr. Dawsey and the lady, and I had occasion to see you relative to some other matters and reported verbally to you in substance the above. When I returned to my office Mr. Dawsey, who had then completed the tour with General Butler, informed me that General Butler had stated to him during the course of the tour that he proposed to get all the facts together and bring them to me, together with the affidavits which his friends had made on the evening of the conversation which he had with Father Coughlin. Mr. Dawsey also stated that General Butler had

requested him to ask me not to say anything about the matter which he, General Butler, had talked to me about to anyone, mentioning the Attorney General, as he knew he was my superior officer. General Butler in talking with me had not requested me to treat the matter confidentially, nor could I have done so if he had made the request in view of the character of the same.

I asked Mr. Dawsey to prepare a memorandum relative to his recollection of the conversation which he heard between General Butler and myself, and I am attaching hereto, for your information, a copy of Mr. Dawsey's memorandum dated August 8, 1936, covering this matter.

If I receive any further word or information from General Butler I will, of course, promptly advise you of the same.

Respectfully,

John Edgar Hoover,
Director.

Inclosure.

JOHN EDGAR HOOVER
DIRECTOR

Federal Bureau of Investigation
U. S. Department of Justice
Washington, D. C.

TWD:MT August 8, 1936.

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Mr. Nathan
Mr. Tolson
Mr. Baughman
Mr. Clegg
Mr. Coffey
Mr. Dawsey
Mr. Edwards
Mr. Egan
Mr. Foxworth
Mr. Glavin
Mr. Harbo
Mr. Joseph
Mr. Lester
Mr. Nichols
Mr. Quinn
Mr. Schilder
Mr. Tamm
Mr. Tracy
Miss Gandy

PERSONAL AND CONFIDENTIAL

MEMORANDUM FOR THE DIRECTOR

As a matter of record it may be stated while in the presence of a personal friend of General Butler's, Miss Hunka (?), the Director, and this Agent, General Smedley Butler stated of his own free will and accord that he had something on his mind and that he would like to get it off. He stated that while in Philadelphia he used to bring such matters to the Secret Service Department, and if the Director wanted him to he would tell him the things that he had on his mind. The Director stated that he would appreciate knowing the same, and General Butler stated that quite awhile ago Father Coughlin telephoned him and asked Butler if he would command an army of approximately 260,000 men to march to Mexico and overthrow the Mexican government that was at that time picking on the Catholic Church, that the Mexicans had kidnapped the archbishop, and that Coughlin stated that he had the financial backing and the men and the arms, and all he needed was a leader. He stated that he thought that Butler was the man.

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Butler stated that he recognized Father Coughlin's voice and as soon as he recognized his voice he requested a friend of his, an editor of a Philadelphia paper, to go up stairs and listen in on the conversation on an extension telephone. He said that he told Father Coughlin that he would not do this because it amounted to treason, that he was employed by the Federal government and that if Coughlin started such a movement the President of the United States would assemble the militia and stop such a movement. Coughlin's answer to this was that I should not worry about President Roosevelt because they would take care of him on the way down. Again Butler stated that he told Coughlin that this amounted to treason, and that he would not talk to him about the same over the telephone. Butler said that at the conclusion of the telephone conversation, this telephone connection was traced and that it was traced back to Coughlin.

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY ROUTING SLIP(S) OF DATE 7/15/80

nc.

He stated that Father Coughlin immediately confirmed that telephonic conversation by a telegram and that he had this telegram in his possession. General Butler stated that he also had the affidavit of each of the visitors at his home that night who listened in on the conversation. General Butler said that he had previously gotten in on some dispute in connectin with the Fascist movement and was called on to testify before the Congressional Committee for participating in the same. He informed the Congressional Committee that he had told the Secret Service Department of the government about this and that they hadn't done anything about it.

General Butler stated that he knew that Father Coughlin had a backing of approximately fifteen million people in this country, and also had good financial backing by some of the armed companies, naming the Remington Company and the DuPonts.

At the time of the telephone conversation with Father Coughlin, General Butler stated that he talked it over with the editor of this Philadelphia paper, and that they decided that the best thing to do would be to wait for more movements from Father Coughlin, that it would be impossible to bring the thing out in public, and General Butler stated that he was scared that some of Coughlin's men would bump him off.

General Butler stated that he realized his oath to the Federal government but what he wanted to do was to develop the thing in its entirety and then bring it out in the open, and that if he made such statements now it might cause some disturbance and the people would only call him a fool. He commented that he didn't know just what to do about the whole thing, that it had caused him considerable worry, and he was just waiting for another move from Father Coughlin.

General Butler stated that the other day a member of the Executive Committee of the Catholic organization that is backing Coughlin came to him and asked him if Coughlin had made such a proposition to him. The man from Coughlin's faction informed General Butler that he had

previously asked Coughlin whether or not he had requested Butler to head this movement and Coughlin refused to deny it and told this man to go and ask Butler. It was this that prompted him to bring the question to the Director.

General Butler stated that very recently an ex-marine came to him and showed him a Chinese ring which was a certification that he was a dope smuggler, and told him that he had just helped smuggle one hundred Browmie Automatic Rifles from one of the arsenals for this group of men, and that they had hidden them on the estate of John D. Rockefeller. He stated that Rockefeller knew nothing about this but that the men had hidden the rifles there so that they would not be found. General Butler stated that he was quite disturbed over this. He decided to check up on this so he went to the quartermaster of one of the arsenals who was a friend of his and asked him if he knew anything about the rifles being gone, and the quartermaster informed him that one hundred Browmie Automatic Rifles had been stolen from one of the arsenals, and that that arsenal of this particular quartermaster had also lost fifteen Automatic Rifles.

General Butler stated that he knew the present political situation and if such movement was developed, it could very easily throw the next election either way and that he did not want to bring this out in the open and be criticized. He knew that his integrity and his honesty had never been questioned, and that he thought the Director could see through the whole thing.

He stated that it seemed to be Coughlin's intention of starting an armed revolution in the United States, and that Coughlin had made the statement that the voters of the United States would not have an opportunity to vote after the next election, indicating that there was going to be a revolution and a dictatorial form of government set up in the place of the present democratic government.

Butler then informed the Director that he wanted to turn this information over to him and that he would get all of the facts and bring them into the Director at a later date. The Director informed him that he would be glad to receive this information.

While going around on the tour, General Butler informed this agent that he had the affidavits of the various parties in connection with this plot, and that he had them locked in his safe in his home. He added that he would bring them to the Director later. He stated that he would wait for another movement from Coughlin before he told the Director anything else, and as soon as Coughlin made another move he would immediately come to Washington and report the same to Mr. Hoover.

General Butler informed this agent that this thing was just worrying him to death, that his grandchildren had been threatened, that he had been threatened, that he expected to be murdered and if so it would be at the hands of Coughlin and his faction.

At the conclusion of the tour, General Butler stated again that he was going to bring this information to the Director and at this time he requested this agent to inform Mr. Hoover not to say anything about this to the Attorney General Cummings. It may be stated that while informing the Director about this movement Butler made no statement or no request that this information was to be kept strictly confidential by the Director.

After General Smedley Butler had departed, this agent immediately reported his request to the Director, and at that time the Director informed this agent he had already submitted this information personally to the Attorney General.

As a matter of record it may be stated that the above conversation took place in the Director's office while making a tour of the Federal Bureau of Investigation at approximately 4:30 p.m., August 7, 1936.

Respectfully,

Tom W. Dawsey

Tom W. Dawsey.